

LEGISLATION AND PUBLIC  
EDUCATION COMMITTEE

BILL ANALYSIS

Board	Author	Bill Number
California Integrated Waste Management Board	Firestone	AB 2181
Sponsor	Related Bills	Date Amended
California District Attorneys Association	AB 228 (Migden) AB 964 (Bowen)	July 15, 1998

**BILL SUMMARY**

AB 2181 would clarify the definition of "each day of violation" with regard to accepting waste tires at an unpermitted waste tire facility and knowingly directing or transporting waste tires to an unpermitted waste tire facility. The bill would establish separate penalties for negligent and intentional violations of law, permit, rule, regulation, standard, or requirement issued or adopted pursuant to waste tire law. Further, AB 2181 would allow a city, county, or city and county to request designation to exercise enforcement authority from the CIWMB with regard to waste tires.

This bill would also incorporate one significant change and one minor change to two sections of the bill contained in both AB 2181 and AB 228 (Migden), which would become operative only if AB 228 and AB 2181 are both chaptered, become effective on or before January 1, 1999, and AB 2181 is chaptered last. The significant change would add abandonment of tires to the circumstances under which a person can be convicted of a crime; and the minor change would add the phrase "or authorization to operate from the board" to sections of the bill on major and minor waste tire facilities.

**BACKGROUND**

AB 2181 is sponsored by the California District Attorneys Association. They state, "district attorneys face a significant problem in bringing misdemeanor complaints against tire pile operators due to a legal loophole that makes them prove the illegal tire pile received a tire in the immediate past year, which is virtually impossible. This bill closes that loophole that removes the economic incentive for people to disobey the law."

Departments That May Be Affected

Committee Recommendation

Support, if Amended

Committee Chair

Date

B-3

7/20/98

AB 2181 has been amended six times since its introduction in February, 1998, and its current form is close to the “as introduced” version. Language from AB 228 (Migden) has been double-joined to it; however, the language covering site access for remediation of tires is no longer part of AB 228 and therefore is not part of the language added.

Previous versions of AB 2181 would have required the CIWMB to submit reports on: (1) its progress in reducing the landfill disposal and stockpiling of used whole tires by 25%; (2) a phased strategic plan and cost estimate to eliminate existing stockpiles of whole waste tires and to replace the need for landfill deposition of shredded waste tire with a sustainable productive use for waste tires; and (3) the impact of waste tires imported from other states for use or disposal in California. In addition, earlier versions of AB 2181 would have increased the current tire fee from \$0.25 to \$0.50 per tire and extended its payment until June 30, 2004. Finally, AB 2181 in earlier forms, would have created a program for productive end use of waste tires and required the CIWMB to establish a certification process to identify qualified productive end users eligible for a \$0.20 per passenger tire equivalent (PTE) reimbursement from the California Tire Recycling Management Fund.

In 1997 Assemblyman Firestone authored AB 375, a comprehensive tire bill that would have (1) raised the tire fee and made it payable by motor vehicle manufacturers and tire wholesalers, (2) established a tire recycling reimbursement program, (3) required all state agencies to give a purchase preference to asphalt pavement containing recycled rubber, (4) prescribed minimum combined state agency utilization requirements for asphalt pavement containing recycled rubber, and (5) addressed several violation and enforcement issues. AB 375 failed passage on the Assembly Floor (20-41) on June 2, 1997, and was granted reconsideration and moved to the Assembly Inactive File where it died after failing to move out of the Assembly by the January 31, 1998 deadline

The California Tire Recycling Act (Public Resources Code [PRC] §42860-42895), Waste Tire program (PRC §42800-42859), and Tire Hauler Registration program (PRC §42950-42967) require the California Integrated Waste Management Board (CIWMB) to administer a tire recycling program and a waste tire facility and hauler regulatory program. The goal of these programs is to promote and develop alternatives to the landfill disposal of whole waste tires and protect the public health and safety and the environment with regard to waste tire facilities and haulers. Within the Act, PRC Section 42885 created the California Tire Recycling Management Fund, which is used to support tire recycling and regulatory activities. Revenues in the fund are generated by a fee of \$0.25 on each new tire sold (approximately \$4.5 million projected in Fiscal Year 1997-98). In addition, the CIWMB has a program to encourage the use of retreaded tires and increase the percentage of recycled materials used in paving applications.

California generates the largest number of tires annually and has the smallest recycling fee in the United States. There are insufficient markets to handle the annual flow of waste tires and even fewer opportunities to utilize legacy tires. Legacy tires are those which have been stockpiled over the years in the hope that they would someday have positive value, and for which there is no

recycling fee associated. Legacy tires are more difficult to find markets for because of their generally unclean state, and are sometimes intermingled with debris and other waste materials.

On March 31, 1997, the Assembly Natural Resources Committee held an oversight hearing on California's tire disposal and recycling system. At that hearing, the CIWMB testified that there are more than 30.5 million waste or used tires produced in California annually. Additionally, the CIWMB estimates that there are currently more than 30 million tires stockpiled throughout the State in legal and illegal piles. Annually, California waste tire facilities receive approximately four to five million tires that have been exported from other states such as Oregon, Arizona, and Utah.

Of the approximately 35.5 million waste tires, which comprise the pool of waste tires annually available in California, approximately 15 million go into landfills or monofills or are disposed of illegally and 20 million are put to productive use or are exported. Waste tire generation in California is growing by approximately 2% annually.

## **RELATED BILLS**

AB 228 (Migden) would add abandonment of tires to the circumstances under which a person can be convicted of a crime. It would also allow a city, county, or city and county to request designation as an enforcement authority from the CIWMB, and allow penalties collected to go to the city, county, or city and county. AB 228 passed the Senate Appropriations Committee (7-2) on April 20, 1998, and has been referred to the Senate Appropriations Committee (Rule 28.8) on June 29, 1998 and is now on the Senate Floor (Third Reading File). The CIWMB has taken a "support" position on AB 228

AB 964 (Bowen) would require the CIWMB, as part of its annual Budget request, to submit to the appropriate policy and fiscal committees of the Legislature, a report that describes the expenditures proposed to be made for that fiscal year by the board for grants, loans, and contracts under the tire recycling program. AB 964 passed the Assembly (48-24) on January 28, 1998, passed the Senate Environmental Quality Committee (9-0) on June 15, 1998 and has been referred to the Senate Appropriations Committee. A date for hearing has not been scheduled. The CIWMB has not taken a position on AB 964.

## **EXISTING LAW**

### State law:

1. Requires any person who accepts waste tires at a major waste tire facility which has not yet been issued a permit or knowingly directs or transports waste tires to a major waste tire facility which has not been issued a permit, upon conviction, to be punished by a fine of not less than \$1,000 or more than \$10,000 for each day of violation, by imprisonment in county jail for not more than one year, or by both fine and imprisonment (PRC §42825).

2. Requires any person who accepts waste tires at a minor waste tire facility which has not been issued a permit or knowingly directs or transports waste tires to a minor waste tire facility which has not been issued a permit, upon conviction, to be punished by a fine of not less than \$500 or more than \$5,000 for each day of violation, by imprisonment in the county jail for not more than one year, or by both fine and imprisonment (PRC §42835).
3. Requires any person who intentionally or negligently violates any CIWMB permit, rule, regulation, standard or requirement issued or adopted to be liable for a civil penalty not to exceed \$10,000 for each violation or, for continuing violations, for each day that the violation continues (PRC §42850).
4. Allows the CIWMB to delegate specific powers and authority under Chapter 16 (Waste Tires) commencing with Section 42800 to enforcement agencies, including the following:  
(a) review of operations plans submitted pursuant to regulations for major waste tire facility permits; (b) inspection of permitted facilities; and (c) enforcement of waste tire facility permits (PRC §42811).

## ANALYSIS

### AB 2181 would:

1. Clarify the definition of "each day of violation" for any person who accepts waste tires at an unpermitted major or minor waste tire facility or any person who knowingly directs or transports waste tires to an unpermitted major or minor waste tire facility. Define "each day of violation" as each day on which a violation continues, unless the person has filed a report with the CIWMB disclosing the violation and is in compliance with any order regarding the waste tires issued by the CIWMB, a hearing officer, or a court of jurisdiction;
2. Establish that the penalty, for any person who *negligently* violates any provision of law, permit, rule, regulation, standard, or requirement issued or adopted pursuant to waste tire law (Chapter 16, commencing with §42800), shall be a fine of not less than \$500 nor more than \$5,000 for each violation, or for continuing violations, for each day that the violation continues;
3. In the case of negligent violations, allow a city, county, or city and county to request that they be designated by the CIWMB, in writing, to exercise enforcement authority with regard to waste tires. Requires any city, county, or city and county so designated to follow the same procedures set forth for the CIWMB and states that such a designation shall not limit the authority of the CIWMB to take action it deems necessary or proper to ensure enforcement.
4. Establish that the criminal penalty, for any person who *intentionally* violates any provision of law, permit, rule, regulation, standard, or requirement issued or adopted pursuant to waste tire law (Chapter 16, commencing with §42800), shall be a fine not to exceed \$10,000 for

each day of violation, by imprisonment in the county jail for not more than one year, or by both.

5. Establish that the civil penalty, for any person who intentionally violates any provision of law, permit, rule, regulation, standard, or requirement issued or adopted pursuant to waste tire law (Chapter 16, commencing with §42800), shall be a penalty not to exceed \$10,000, for each violation of a separate provision, or for continuing violations, for each day that the violation continues.

**In addition, if both AB 2181 and AB 228 (Migden) are enacted, become effective on or before January 1, 1999, and if AB 2181 is chaptered after AB 228:**

6. Subject anyone who abandons waste tires at an unpermitted waste tire facility to the same penalties and/or jail time as anyone who, under current law, accepts waste tires at an unpermitted major/minor waste tire facility or knowingly directs or transports waste tires to an unpermitted major/minor waste tire facility (see #1 and #2 under Existing law above).
7. Add the italicized words to the following phrase, "...that has not been issued a permit *or an authorization to operate from the board*" found in Section 42825 (major waste tire facilities) and Section 42835 (minor waste tire facilities). This phrase was added because the CIWMB grants exemptions from the permitting process and instead issues "authorizations to operate" cement kilns, tire retreading facilities, and agricultural uses of tires. The wording makes it clear that an "authorization to operate" is on an equal level with a permit so far as violations are concerned for abandoning, directing, transporting or accepting waste tires at a facility that is not permitted or "authorized to operate."
8. Allow penalties collected for waste tire violations to be retained by the city, county, or city and county if the attorney who brought the action represents the city, county, or city and county.

## COMMENTS

AB 2181 Similar to Sections of AB 375 of 1997. The provisions of AB 2181 are similar to sections of Assemblyman Firestone's AB 375 that focused on enforcement against violators of waste tire law. AB 375, a much more comprehensive tire bill, failed passage on the Assembly Floor (20-41) on June 2, 1997, and was granted reconsideration and moved to the Assembly Inactive File where it died after failing to move out of the Assembly by the January 31, 1998 deadline.

Violations and Law Enforcement. AB 2181 would strengthen enforcement provisions allowing for more efficient prosecution of violators. The bill would increase the penalties for acceptance of waste tires at an unpermitted waste tire facility or for directing tires to an unpermitted waste tire facility by defining "each day of violation." The definition includes not only each day the tires are accepted or transported to the unpermitted site, but also includes each day the waste

tires remain at the facility. Each day they remain at the site is considered a separate, additional violation unless the person has filed a report with the CIWMB disclosing the violation and is in compliance with any order regarding the waste tires issued by the CIWMB, a hearing officer or a court. AB 2181 would also create a separate violation penalty which includes jail time for "intentionally" violating any requirement related to major or minor waste tire facility permits. These tougher penalties are helpful to the CIWMB and district attorneys as a means of enforcing the law. Jail time, in particular, may be more of a deterrent to unscrupulous tire haulers than fines.

Penalty Money to the CIWMB. Under current law, penalties collected for intentional or negligent violation of any provision of the chapter on Waste Tires (PRC § 42850) are deposited in the California Tire Recycling Management Fund (CTRMF) (PRC §42855). Since AB 2181 separates *negligent* and *intentional* violations into two separate code sections (PRC §42850 as amended, and new 42850.1), both code sections must be included in PRC §42855, in order that the same penalties in AB 2181 go to the CTRMF (or to the local government who brought the action). Since AB 228 already amends PRC §42855 to allow locals to get penalties for actions they bring, that would appear to be the appropriate place to make this amendment. If this amendment is not made to AB 228 (AB 228 is almost through the legislative process), penalty money from intentional violations would go to the state General Fund (since not directed elsewhere) and a statute change would need to be made in a 1999 "cleanup" bill.

Local government authority. Section 42850.1, which is only in AB 2181 and references intentional violations of waste tire law, needs a subparagraph that would allow the CIWMB, if requested, to designate local governments to exercise enforcement authority. That way, if AB 228 is amended to allow penalties from intentional violations to go to local governments if they bring the action, locals will be able to recover the penalties. If this amendment is not made to AB 2181 (AB 2181 is almost through the legislative process), a statute change would need to be made in a 1999 "cleanup" bill.

**In addition, if both AB 2181 and AB 228 (Migden) are enacted, become effective on or before January 1, 1999, and if AB 2181 is chaptered after AB 228:**

Addition of "abandoned". The justification for the addition of the "abandoned" term is that many lessees, as well as property owners, will transport or direct waste tires to a site. However, it is very difficult to prove these activities. It is very obvious when tires are abandoned on a site, especially by a lessee or a landowner that goes through a foreclosure proceeding. This term being added to the statute will provide a clearer path for conviction in such cases.

Local government enforcement authority/ability to keep fines. This change would provide an incentive for local enforcement agencies to assist the CIWMB in regulating the waste tire industry. At the present time, these entities are fully engaged and have little incentive to pursue penalty enforcement when the fines go only to the Tire Recycling Fund. Under this proposal, fines for negligent violations could be used to support local tire enforcement efforts (intentional violations need to be referenced in Section 42855 of AB 228).

## SUGGESTED AMENDMENTS

Amend Section 42850.1 to include a subparagraph that would allow the CIWMB, if requested, to designate local governments to exercise enforcement authority.

## LEGISLATIVE HISTORY

AB 2181 was introduced on February 19, 1998. It passed the Assembly Natural Resources Committee (8-2) on April 13, 1998; passed the Assembly Appropriations Committee (13-4) on May 20, 1998, passed the Assembly Floor (67-7) on May 27, 1998, passed the Senate Environmental Quality Committee (9-0) on June 15, 1998, passed the Senate Appropriations Committee (28.8) on July 13, 1998, and is now on the Senate Floor (Third Reading File).

Support: California District Attorneys Association  
California Cement Manufacturers Association  
Planning and Conservation League  
Sierra Club

Opposition: None received

## FISCAL AND ECONOMIC IMPACT

By clearly defining the term “each day of violation,” AB 2181 would strengthen enforcement provisions allowing for more efficient prosecution of violators and could bring increased revenues to the CIWMB tire program.

To the extent that local governments choose to exercise enforcement authority with regard to negligent crimes involving waste tires, AB 2181 could bring a potential increase in penalty revenues to local governments, and a potential cost to the CIWMB for local enforcement training

To the extent that AB 2181 would allow criminal and civil penalties for intentional violations of waste tire law, it could result in increased revenues.

**In addition, if both AB 2181 and AB 228 (Migden) are enacted, become effective on or before January 1, 1999, and if AB 2181 is chaptered after AB 228:**

By adding abandonment of tires to the circumstances under which a person can be convicted of a crime, AB 2181 would strengthen enforcement provisions allowing for more efficient prosecution of violators and could bring increased revenues to the CIWMB tire program or to local governments.

**SUGGESTED AMENDMENTS TO AB 2181  
(AS AMENDED JULY 15, 1998)**

Page 6, line 27, insert:

(c) Upon request of a city, county, or city and county, that city, county, or city and county may be designated, in writing, by the board, to exercise the enforcement authority granted to the board under this chapter. Any city, county, or city and county so designated shall follow the same procedures set forth for the board under this article. This designation shall not limit the authority of the board to take action it deems necessary or proper to ensure enforcement of this chapter.



LEGISLATION AND PUBLIC  
EDUCATION COMMITTEE

BILL ANALYSIS

Board	Author	Bill Number
California Integrated Waste Management Board	Wayne	AB 2521
Sponsor	Related Bills	Date Amended
California Associations of Environmental Health Administrators		June 23, 1998


**BILL SUMMARY**

AB 2521 would permit local enforcement agencies (LEAs) to recover costs for defending themselves against appeals of denials of a solid waste facility's permit where they prevail, eliminate the prohibition against a member of an independent hearing panel from serving for more than two consecutive two-year terms, and provide that a cease and desist order issued by an LEA against a solid waste facility operator shall remain in force and effect while any appeal by the operator is pending.

**BACKGROUND**

The sponsor of AB 2521 is the California Association of Environmental Health Administrators, which represent the LEAs for solid waste laws and regulations. According to the sponsor, this measure is intended to rectify several ambiguities or problems with current law governing their activities. Specifically, AB 2521 is intended to ensure that LEAs may recover their costs in defending themselves against appeals of denials of a solid waste facility's permit where they prevail, ensure stability and workability of LEA independent hearing panel membership, and ensure the enforceability of cease and desist orders while appeals are pending.

Local Enforcement Agencies (LEAs). The Integrated Waste Management Act, Chapter 1095, Statutes of 1989 (AB 939, Sher) allows the California Integrated Waste Management Board (CIWMB) to designate cities and counties as LEAs. Cities and counties, through their LEA designation, essentially serve as CIWMB's "enforcement arm" through on-site inspections to enforce State law and conditions placed on the operation of solid waste facilities by the CIWMB and/or a LEA. LEAs can also impose permit conditions, regulations and requirements on facilities operating within their jurisdiction.

Departments That May Be Affected		
California Integrated Waste Management Board		
Committee Recommendation	Committee Chair	Date
Support, if Amended		7/20/98 8-11

## EXISTING LAW

### State law:

1. Allows a solid waste facility operator to request that an LEA hold a hearing if the operator disputes any enforcement action taken by an LEA (Public Resources Code [PRC] §§44300-44310);
2. Requires all LEA hearings to be conducted by a hearing panel consisting of three members appointed according to one of the two following procedures:
  - a. In cases where the local government does not operate a solid waste facility in the jurisdiction, an LEA's governing body (either a county board of supervisors or a city council) may appoint three of its own members to serve as the hearing panel; or
  - b. In cases where the local government does operate a solid waste facility in the jurisdiction, the chairperson of the governing body must appoint an independent hearing panel of three members each with a term of two years, for not more than two consecutive terms (PRC §44308);
3. Authorizes the appointment of an independent hearing panel to conduct a public hearing in connection with the denial, suspension, or revocation of solid waste facilities permits ((PRC §44305);
4. Prohibits a member of an independent hearing panel from serving on the panel for more than two consecutive two-year terms (PRC §44308);
5. Provides that reports, notices and applications for solid waste facilities permits be submitted under oath (PRC §44006);
6. Provides that a solid waste facilities permit can be denied for the following reasons:
  - a. The application is incomplete or otherwise inadequate;
  - b. The applicant has not complied with California Environmental Quality Act;
  - c. The applicant has failed to demonstrate that the facility will meet minimum regulatory standards;
  - d. The application contains significant false or misleading information or significant misrepresentations; and
  - e. The CIWMB has determined that the applicant has, during the previous three years, been convicted of, or been issued a final order for, one or more violations of the California Integrated Waste Management Act (PRC §44300);

7. Authorizes an applicant for a solid waste facilities permit to appeal the decision of an LEA to deny the issuance of a permit to an independent hearing panel appointed by the governing body of the LEA (i.e. a city council or county board of supervisors) (PRC §45017); and
8. Provides that a cease and desist order issued by an LEA against a solid waste facility operator shall be stayed pending any appeal of the order by the solid waste facility operator (PRC §45005).

## ANALYSIS

### AB 2521 would:

1. Permit an independent hearing panel member to be reappointed following the completion of two consecutive two-year terms;
2. Provide that, if an applicant for a solid waste facilities permit appeals a decision by an LEA not to issue a permit to a hearing panel and that decision is upheld by the hearing panel, who deems the appeal to be frivolous, an LEA may recover from the appellant any reasonable and necessary costs incurred during the appeals process;
3. Require an LEA to issue a written notice of a proposed denial of a permit to the applicant for the permit and specifies that an applicant may appeal the proposed denial pursuant to existing law; and
4. Provide that a cease and desist order issued by an LEA against a solid waste facility operator shall remain in force and effect while any appeal by the operator is pending.

## COMMENTS

CIWMB Workshop on AB 59 Hearing Panel and Appeals Process. On June 16, 1998, the CIWMB held a workshop to identify key issues in Chapter 952, Statutes of 1995 (AB 59, Sher) local hearing panel procedures and appeals to the CIWMB. Included in the discussions were the purpose and what is and is not working in the appeals process. As a result of this workshop, the CIWMB may recommend changes to statute, regulations or internal administrative procedures.

Hearing Panels. Current law allows a solid waste facility operator to request a hearing before a hearing panel regarding any enforcement action taken by an LEA, against a solid waste facility, or in cases where the facility operator believes the permit conditions governing the facility are inappropriate. The hearing panel must either be an LEA governing board or an independent hearing board. Independent hearing board members are limited by current law to serving two two-year terms (cumulative four years). The hearing panels were established to deal with complex local and State permitting and enforcement issues.

Hearing Panel Term Limits. AB 2521 would delete the four-year term limit on independent panel members, thus allowing more continuity in panel membership and giving panel members

more opportunities to actually participate in a hearing. According to the sponsor, these panels do not meet frequently. As a result, it would not be uncommon for a panel member's term to expire before he or she serves on a panel that participates in a hearing. The sponsor believes that allowing independent members to serve longer periods of time would provide greater continuity and reduce administrative costs to local government agencies.

Recovery of Costs. AB 2521 would give an LEA the ability to recover the costs of holding an administrative hearing to review denial of a permit if the hearing panel determines that the appeal was frivolous. This may result in a decrease in the number of appeals overall, freeing up LEA resources to implement their core programs more efficiently.

Cease and Desist Orders. AB 2521 would allow for a cease and desist order, in certain cases, to remain in effect in the event of an appeal to the hearing panel. This will allow LEAs, and the CIWMB when acting as the enforcement agency (EA), to enforce a cease and desist order during the time an appeal is being processed, even though there is less than an imminent and substantial threat to public health and safety or the environment. This will result in greater enforcement flexibility for the LEA and better overall protection of public health and safety and the environment. Another result may be a decrease in the number of appeals for this type of Notice and Order and a corresponding decrease in LEA and CIWMB legal costs.

Need for Clarification When Cease and Desist Order is not Stayed. The bill contains a technical error regarding when a cease and desist order is not stayed by the filing of an appeal. As drafted, AB 2521 would require that two conditions must exist (operating without a permit and threatening to cause hazardous, pollution, or nuisance condition) before limitations would be placed on the appeals process (i.e., not stay the cease and desist order). Under existing law (PRC §45005), all three of the following situations must exist before an enforcement agency could issue a cease and desist order:

- The solid waste facility operator is operating or proposing to operate the solid waste facility in violation of the solid waste facilities permit or in violation of the Integrated Waste Management Act.
- The solid waste facility operator is operating or proposing to operate the solid waste facility without a solid waste facilities permit.
- The solid waste facility operator is operating or proposing to operate the solid waste facility in a manner that causes or threatens to cause a hazardous, pollution, or nuisance conditions.

The author's office has indicated that they did not intend the bill to be so narrowly interpreted regarding limitations on enforcement orders. The author's office may wish to amend the bill to clarify that the enforcement order may not be stayed for either of the two conditions (operating without a permit and threatening to cause hazardous, pollution, or nuisance condition), rather than both conditions being present.

### **SUGGESTED AMENDMENT**

The bill should be amended to clarify that the cease and desist order may not be stayed for either of the two conditions (operating without a permit and threatening to cause hazardous, pollution, or nuisance condition).

### **LEGISLATIVE HISTORY**

AB 2521 was introduced on February 20, 1998. The bill passed the Assembly Natural Resources Committee (7-2) on April 13, 1998; passed the Assembly Appropriations Committee (12-8) on April 22, 1998; passed the Assembly Floor (66-8) on May 14, 1998; passed the Senate Environmental Quality Committee (8-1) on June 15, 1998 and passed the Senate Appropriations Committee (28.8 Calendar) on June 29, 1998. The bill is awaiting vote on the Senate Floor.

Support: California Association of Environmental Health Administrators (sponsor)  
Butte County Butte County Department of Public Health  
California Public Interest Research Group  
Regional Council of Rural Counties

Oppose: None on file.

### **FISCAL AND ECONOMIC IMPACT**

Enactment of AB 2521 could result in some savings to both the CIWMB and LEAs. While the level of anticipated savings is currently unknown, the savings could accrue due to the following:

1. Both the LEAs and the CIWMB, while acting as an EA, would be able to recover their costs for frivolous appeals, thereby offsetting any costs incurred; and
2. The ability to recover the costs of frivolous appeals is likely to reduce the number of appeals initiated annually.

**SUGGESTED AMENDMENTS**

**AB 2521, as amended June 23, 1998**

1. On page 5, line 22:

Delete the word "and" and insert the word "or"